



HEAD OF HOUSEHOLD AUDIT LETTER

We are reviewing your 2002 California income tax return to determine if you qualified to use the head of household filing status. The enclosed Audit, Contact, and Privacy Notice provides information about what to expect during the audit process including your rights and your right to privacy.

To help us determine if you used the head of household filing status correctly, please complete the *Head of Household Audit Questionnaire* on pages 3 and 4. You must answer each of the questions that apply to you and return the questionnaire by the **response due date** indicated above.

To help you complete the *Head of Household Audit Questionnaire*, we are providing information about the Head of Household Requirements for 2002 on page 5 and the Head of Household Frequently Asked Questions on pages 6 through 8. For telephone assistance in completing the questionnaire, or to access head of household information on our Website, refer to Head of Household Assistance Information on page 2.

If, after reviewing the information provided, you determine that you do not qualify for the head of household filing status, indicate on the questionnaire that you do not qualify.

To return your completed questionnaire, whether you qualify or not, please do **one** of the following by the **response due date**:

- **Fax** it using the above fax number. Fax one copy of each page of the questionnaire (pages 3 and 4) and any supporting information. A fax cover sheet is not necessary
- **Mail** us the questionnaire using the enclosed pre-addressed envelope. If you mail your response to an address other than the one on the enclosed envelope, it may delay our processing.

It is important that you respond by the **response due date** indicated above. If you do not respond, we may do the following:

- Deny your head of household filing status.
- Assess additional tax.
- Impose a 25 percent penalty.

Please keep a copy of your completed questionnaire for your records.

Thank you for your prompt attention to this matter.

HEAD OF HOUSEHOLD ASSISTANCE INFORMATION

To receive **automated telephone assistance** in completing the audit questionnaire or to order FTB Pub. 1540, *California Head of Household Filing Status* by telephone, please call:

From within the United States (800) 555-4005
From outside the United States (not toll-free) (916) 845-6600

To receive additional information about the head of household filing status or to download FTB Pub. 1540, *California Head of Household Filing Status*, please go to our Website at: **www.ftb.ca.gov**

Our **Taxpayer Service Center** is also available to answer any questions you may have about the questionnaire or the head of household filing status.

From within the United States, call (800) 852-5711
From outside the United States, call (not toll-free) (916) 845-6500

Website at: **www.ftb.ca.gov**

Assistance for persons with disabilities: We comply with the Americans with Disabilities Act. Persons with hearing or speech impairments please call TTY/TDD (800) 822-6268.

ASISTENCIA INFORMATIVA SOBRE EL ESTADO CIVIL DE CABEZA DE FAMILIA

Para recibir **asistencia telefónica automatizada** de como completar el cuestionario de auditoria, o para ordenar por teléfono la publicación FTB Pub. 1540, *California Head of Household Filing Status*, en español, *FTB Pub. 1540SPAN, Información Sobre El Estado Civil Cabeza de Familia*, por favor llame:

Dentro de los Estados Unidos (800) 555-4005
Fuera de los Estados Unidos (número no gratuito) (916) 845-6600

Para recibir información adicional sobre el estado civil de cabeza de familia o para obtener una copia electrónica de la publicación FTB Pub. 1540 en español, FTB Pub. 1540SPAN, *Información Sobre El Estado Civil Cabeza de Familia de California*, por favor visite nuestro sitio en la red electrónica en: **www.ftb.ca.gov**

Nuestro **Centro de Servicio para el Contribuyente de Impuestos** (Taxpayer Service Center) también está disponible para contestar cualquier pregunta que usted tenga con respecto a esta carta o sobre el estado civil de cabeza de familia.

Dentro de los Estados Unidos llame al (800) 852-5711
Fuera de los Estados Unidos llame al (número no gratuito) ... (916) 845-6500

Red electrónica: **www.ftb.ca.gov**

Asistencia para personas discapacitadas: Nosotros estamos en conformidad con el Acta de Americanos Discapacitados. Personas con problemas auditivos o de habla pueden llamar al TTY/TDD (800) 822-6268.



2002

Please provide the information requested below. See page 5 of this letter for head of household qualification requirements. If you need more space to answer any of the questions or to provide explanations for your answers, use a separate sheet of paper and include it with your response. **For information on what to expect during the audit process see the enclosed *Audit, Contact, and Privacy Notice*.**

(1) Check one box below to identify the relationship of the person you believe qualified you for the head of household filing status.

- ☐ Son, daughter, stepson, or stepdaughter.
- ☐ Grandchild.
- ☐ Foster child.
- ☐ Father or mother.
- ☐ Brother, sister, stepbrother, or stepsister.
- ☐ Grandfather, grandmother, stepfather, or stepmother.
- ☐ Son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law.
- ☐ Uncle, aunt, nephew, or niece.
- ☐ Other (please explain). _____

(You cannot claim yourself, your spouse, or your tax preparer.)

(2) Provide the social security number, name, and age of the qualifying person you indicated in question 1.

Social Security Number: -- Name: _____

Age in years as of 12/31/2002: If less than one year old, age in months:

(3) Were you entitled to claim the qualifying person as your dependent for 2002? ☐ Yes ☐ No

(4) Did the qualifying person live with you the entire year of 2002?☐ Yes. Go to Question 6.☐ No. List the beginning and ending dates of each period the qualifying person lived with you during 2002, or provide the total number of days the qualifying person lived with you during 2002.From / / To / /

OR

 Total number of days
(More than 12 hours each day)From / / To / / From / / To / / From / / To / / **(5) If your qualifying person did not live with you for the entire year during 2002, check one box below that best explains the main reason your qualifying person was absent from your home.**☐ Lived away at school ☐ Military Service ☐ Hospital/Convalescence ☐ Birth or Death☐ College ☐ Lived with other parent ☐ Moved out ☐ Other (please explain) _____**(6) Was the qualifying person married as of December 31, 2002?** ☐ Yes ☐ NoIf yes, did this person file a joint tax return for 2002 with his or her spouse? ☐ Yes ☐ No**(7) If the qualifying person is not your birth, adopted, or stepchild, did a parent of the qualifying person live in the home with you and the qualifying person at any time during the year 2002?**☐ Yes ☐ No**(8) As of December 31, 2002 were you single? For the purpose of this question "single" means: never legally married, or widowed [spouse died before January 1, 2002], or received a final court decree of divorce or legal separation on or before December 31, 2002, or received a final court decree of annulment.**☐ Yes ☐ No**(9) If you were legally married during all or part of 2002, did you live with your spouse at any time during that year? You were legally married in 2002 if you did not receive a final court decree of divorce or legal separation on or before December 31, 2002, or did not receive a final court decree of annulment.**☐ Yes ☐ No

If yes, list beginning and ending dates of each period that you lived with your spouse during 2002.

From / / To / / From / / To / / From / / To / / From / / To / /

Please provide a telephone number and the best time we can reach you between 6:30 a.m. and 7 p.m. Monday through Friday, if we need more information.

Best time to call: _____ Telephone number: -
(Area Code) (Number) (Extension)*I declare under penalty of perjury that the above statements are true and correct to the best of my knowledge and belief.*

Signature _____ Date _____

Head of Household Qualification Requirements for 2002

You qualify for the head of household filing status if you were single in 2002 ...	and you paid more than half the cost of keeping up your home, which was the main home for you and one of the following qualifying persons:
<p>For head of household purposes, "single" means one of the following:</p> <ul style="list-style-type: none"> • Never married • Divorced under a final court decree by December 31, 2002 • Legally separated under a final court decree by December 31, 2002 • Marriage annulled under a final court decree • Widowed (Spouse died before January 1, 2002) 	<p>A. Your dependent qualifying relative (child, stepchild, grandchild, brother, sister, stepparent, grandparent, stepbrother, stepsister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law) who lived with you for more than half of 2002; or your blood-related dependent uncle, aunt, nephew, or niece who lived with you for more than half of 2002.</p> <p>Your child or grandchild, who is unmarried as of the last day of the 2002 tax year, does not need to be your dependent.</p> <p>B. Your dependent foster child who lived with you during all of 2002. A foster child is one who is in the care of someone (other than the child's parents) who cares for the child as his or her own child. The foster relationship must have begun while the child was a minor.</p> <p>Note: The child of a person you lived with is not your foster child, even if the child lived with you all year, because the child was in the care of his or her parent.</p> <p>C. Your dependent parent for whom you provided more than half the cost of keeping up a home for all of 2002. Your parent need not live with you.</p> <p>In determining whether your home was your qualifying person's main home for more than half of 2002, you can include:</p> <ul style="list-style-type: none"> • Half of the time during which you, your spouse, and your qualifying person lived together and all of the time that you and your qualifying person lived together without your spouse. • Time your qualifying person was temporarily absent from your home. Temporary absences include vacations, illness, business, school, or military service. <p>Do not include any time your qualifying person was in the custody of another person under either a formal or informal custody agreement.</p>

OR

You qualify for the head of household filing status if you were considered unmarried in 2002 ...	and you paid more than half the cost of keeping up your home, which was the main home for you and one of the following qualifying persons:
<p>For head of household purposes, "considered unmarried" means you were legally married, but you lived apart from your spouse for the entire last six months of 2002.</p>	<p>A. Your dependent child or stepchild who lived with you for more than half of 2002.</p> <p>B. Your dependent foster child who lived with you during all of 2002. A foster child is one who is in the care of someone (other than the child's parents) who cares for the child as his or her own child. The foster relationship must have begun while the child was a minor.</p> <p>Note: The child of a person you lived with is not your foster child, even if the child lived with you all year, because the child was in the care of his or her parent.</p> <p>In determining whether your home was a qualifying person's main home for more than half of 2002, you can include:</p> <ul style="list-style-type: none"> • Half of the time during which you, your spouse, and your qualifying person lived together and all of the time that you and your qualifying person lived together without your spouse. • Time your qualifying person was temporarily absent from your home. Temporary absences include vacations, illness, business, school, or military service. <p>Do not include any time your qualifying person was in the custody of another person under either a formal or informal custody agreement.</p>

Please refer to *California Head of Household Filing Status* (FTB Pub. 1540) for definitions of the terms used in the qualification requirements.



Head of Household Frequently Asked Questions

1. Q. What if I need more space to answer the questions on the audit questionnaire?

A. If you need more space to answer any of the questions or to provide explanations for your answers, use a separate sheet of paper and include it with your response.

2. Q. Why do you want to know my marital status?

A. Your marital status is a factor in determining if you qualify for the head of household filing status.

3. Q. Who is a qualifying person?

A. A qualifying person is a qualifying relative, including a foster child, who can qualify you for the head of household filing status. (See the Head of Household Qualification Requirements for 2002 on page 5.)

4. Q. I lived with my girlfriend and her child during the year. Can I consider the child as my stepchild or foster child and claim the head of household filing status using the child as my qualifying person?

A. No. Because you were never married to the child's parent, the child was not your stepchild, and the child cannot qualify you for the head of household filing status. A foster child is in the care of someone (other than the child's parents) who cares for the child as his or her own child. Because this child lived with and was cared for by a parent, the child cannot be considered as your foster child and cannot qualify you for the head of household filing status. You may be eligible to claim a dependent exemption for the child if the child meets all five dependent exemption tests. See page 25 of the *California Resident Personal Income Tax Booklet* for 2002 to determine if you qualify for the dependent exemption.

5. Q. Can I claim my parent as my qualifying person for the head of household filing status?

A. It depends. To qualify for the head of household filing status, your parent must be a United States citizen, resident or national, or be a resident of Mexico or Canada, and you must meet the requirements to claim your parent as your dependent.

If you are unmarried on the last day of the taxable year, you can claim your dependent parent as your qualifying person if you meet all of the qualification requirements. Your parent need not live with you as long as you paid more than half the cost of keeping up the home that was your parent's main home for the entire taxable year. If you are married on the last day of the taxable year, you cannot claim your parent as your qualifying person, even if you did not live with your spouse during the last six months of the taxable year. See *California Head of Household Filing Status* (FTB Pub. 1540) for more information. To order or download FTB Pub. 1540, see our Head of Household Assistance Information on page 2.

Head of Household Frequently Asked Questions

6. Q. Can my child qualify both parents for the head of household filing status?

A. No. A child can qualify only one parent for the head of household filing status in a particular taxable year, and that parent must meet all the head of household requirements. (See the Head of Household Qualification Requirements on page 5.)

7. Q. My spouse and I lived apart the entire year, but we are still legally married. My son lives with me. I meet the requirements to claim him as a dependent, but I have signed an agreement allowing his other parent to claim the dependent exemption. Can I still use the head of household filing status?

A. Yes. You can claim your son as your qualifying person if you otherwise meet all of the head of household requirements and the only reason you did not claim him as a dependent was because you signed an agreement allowing the other parent to claim the dependent exemption.

8. Q. I am divorced. My ex-spouse and I lived apart and shared equal custody of our child, who lived with each of us for 50 percent of the taxable year. Can I claim the head of household filing status?

A. No. To claim the head of household filing status, your child must have lived with you for **more than** 50 percent of the taxable year. However, you may qualify for the Credit for Joint Custody Head of Household. See page 17 of the *California Resident Personal Income Tax Booklet* for 2002 to determine if you qualify for this credit.

9. Q. My spouse and I separated during the year. Our son lived with me after we separated. I want to use the head of household filing status. In figuring the number of days our son lived with me, can I count the time he lived with my spouse and me before we separated?

A. No. You count all of the time you and your son lived together after the separation. Then add to that half of the time that you, your spouse, and your son lived together.

10. Q. My spouse and I were separated from the beginning of 2002 until November of 2002, when we reconciled. Since we were separated for more than six months of the year, can I still file using the head of household filing status?

A. No. To qualify for the head of household filing status, you must live apart from your spouse for the **entire last six months** of the taxable year. Because you lived with your spouse during a part of the last six months of the taxable year, you do not qualify for the head of household filing status.

11. Q. Can I provide the head of household information when I file my tax return?

A. Yes. If you e-file your tax return and use the head of household filing status, you can provide the head of household information with your tax return by submitting the completed Schedule HOH/FTB 4803e at the time your return is filed. The Schedule HOH/FTB 4803e will allow us to determine if you qualify for the filing status without later having to issue you an audit letter. To find out more about e-filing go to our Website at www.ftb.ca.gov or talk to your tax preparer, if you use one.

Head of Household Frequently Asked Questions

12. Q. What can I do before I file my return to make sure that I am qualified to file using the head of household filing status?

- A. Visit the FTB Head of Household Filing Status Information at www.ftb.ca.gov and take the head of household self-test before you file your tax return. The Web page also offers information regarding our audit program and specific definitions of terms to help you determine if you are qualified to use the head of household filing status. Encourage your tax preparer, if you use one, to use the self-test before preparing your tax return.

If you do not have access to the Internet, you can take the self-test found in FTB Pub. 1540, *California Head of Household Filing Status*. To order FTB Pub. 1540 by telephone, see *Head of Household Assistance Information* on page 2.

13. Q. Why do I receive a head of household audit questionnaire every year?

- A. Unless you were denied the head of household filing status for a specific reason or for not responding to the questionnaire at all in the previous taxable year, our head of household audit program is designed so that taxpayers do not receive an audit letter every year.

14. Q. If I qualified to use the head of household filing status in a previous year, why did the Franchise Tax Board send me an audit letter this year?

- A. Each taxable year stands on its own. We cannot determine if the circumstances that qualified you for the head of household filing status in a previous taxable year remained the same for this taxable year.